

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Southern Imperial Inc.

Illinois Manufacturing Extension Center

Lean, Strategic Sourcing Spark \$12 Million Increase in Sales

Client Profile:

Southern Imperial Inc. is a manufacturer of display fixtures and point-of-purchase merchandising accessories for customers such as Wal-Mart and Target. Located in Rockford, Illinois, the company employs under 200 people.

Situation:

Southern Imperial worked with the Illinois Manufacturing Extension Center (IMEC), a NIST MEP network affiliate, to successfully implement an aggressive lean manufacturing program to eliminate non-value-added activities and speed production. Improved processes, however, are only one side of the equation. The leadership at Southern Imperial knew that the key to continued growth is to align shop floor improvements with a well thought out plan for products, markets and sourcing and again asked for IMEC's support in validating the company's three-year strategic plan.

Solution:

IMEC's facilitators helped Southern Imperial outline all of its strategic advantages and weaknesses and lay a framework for where the company needs to be in the future. One important outcome from the process was that it confirmed Southern Imperial's import strategy was a sound one. Because of rising steel prices and the costs of producing some high-volume display products, Southern Imperial recently opened a sales/engineering office in China to serve that growing market and strategically source some Chinese products. In addition to sourcing and international market development, Southern Imperial is now focused on developing innovative new products for niche industries. A new display system the company manufactures, for example, is helping to prevent theft at Walgreens stores nationwide.

Results:

* Increased sales by \$12 million.

Testimonial:

"Lean has made an enormous difference in our cost structure, but when you're selling against the Chinese, you have to look at other ways to compete long-term."

Roanna "Ary" Leckey, Lean Champion